

JOHN WAIHEE
GOVERNOR



DIRECTOR'S OFFICE
DEPT. OF
TRANSPORTATION

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ROBERT P. TAKUSHI
COMPTROLLER

LLOYD I. UNEBASAMI
DEPUTY COMPTROLLER

STATE OF HAWAII
DEPARTMENT OF ACCOUNTING
AND GENERAL SERVICES

P.O. BOX 119
HONOLULU, HAWAII 96810-0119

JAN 19 1994

COMPTROLLER'S MEMORANDUM NO. 1994-1

TO: Heads of Departments
ATTN: Payroll/Personnel Offices
FROM: Robert P. Takushi, Comptroller
SUBJECT: Personal Use of State-Owned Vehicles

This memorandum is to remind all departments and agencies of the notice that must be given by January 31, 1994 to any of its employees who commute to and from work in a State-owned vehicle. (For any needed background on this matter, please refer to Comptroller's Memorandum No. 1987-3, dated January 20, 1987.)

As in prior years, the State of Hawaii has elected to use the "commuting valuation rule" to value the commuting use of a State-owned vehicle in 1994. Under this special valuation rule, commuting use of the vehicle is valued at \$1.50 per one-way commute; thus, the amount includible in compensation as a fringe benefit is \$3.00 for each round-trip commute, for a maximum of \$678 per year, or \$56.50 per month.

Also, as in prior years, the State of Hawaii has elected not to withhold income taxes on the computed fringe benefit amount. Social Security and Medicare taxes are required to be withheld.

Please furnish a copy of this memorandum to each employee in your department or agency who commutes in a State-owned vehicle. Such employees must be so notified no later than January 31, 1994 (or within 30 days after the fringe benefit has been provided to the employee by approving the commuting use of a State-owned vehicle.)

ROBERT P. TAKUSHI
Comptroller

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